



# Leopard sinks its claws into seafood plant

TUESDAY, 11 MAY 2010 15:00 NGUON SOVAN

**A**SIA-FOCUSED private equity investment fund Leopard Capital has acquired a 31.48 percent stake in the Preah Sihanouk-based seafood processing plant Nautisco Seafood Manufacturing for US\$1.6 million, it was announced Monday.

Leopard Capital CEO Douglas Clayton said Monday that the company is confident it was a sound investment.

“We are bullish on Cambodia’s prospects to break into the global seafood trade,” he wrote in an email.

He said that although both Thailand and Vietnam have been successful in the labour-intensive sector, Cambodia’s labour is cheaper and the Kingdom has 440 kilometres of maritime coastline to support a larger fishing industry. It also has abundant land to develop aquaculture.

“In the future, the seafood sector could provide steady jobs to thousands of workers in low-income rural areas, while generating significant export earnings for Cambodia,” he stated.

Nautisco Seafood CEO Sam Peou said Monday that he believes the investment and expertise from Leopard Capital will accelerate the company’s expansion and success.

“We need a strong partner with financial backing, business connections and knowledge. Leopard has extensive experience in Asia, especially in Cambodia, so it will be much easier for the communication and decision-making purposes,” he said.

Nautisco Seafood will use the proceeds from the transaction to fund working capital requirements and pay off debts, he said.

The seafood manufacturer started as a \$4 million investment play by Canada-based company Nautisco Inc in 2007. According to a statement released on Monday, the firm plans to expand across most facets of the business.

It currently processes wild shrimp but will later move into other seafood products. It also wants to start exporting to Japan and Korea, and later to North America and Europe.

Nautisco aims to increase capacity – its plant is capable of processing up to 30 to 40 tonnes of seafood per day – from a current rate of 10 tonnes per day.

A statement said the company sources 99 percent of its shrimp from local fishermen. In the future, the plant may encourage other entrepreneurs to invest in prawn farms and fish farms, further expanding the industry.

The Ministry of Agriculture, Forestry and Fisheries' director general of Fisheries Administration Nao Thuok said Monday: "Any investment in shrimp farms is welcome, but only if it does not affect mangrove forests."